

EXECUTIVE OFFICE OF THE PRESIDENT

WHCF / Subject Files (AG) Box 12 / Ex AG 7-2 School Lunch
Program [1969-70]

DEPARTMENT OF THE BUDGET
WASHINGTON, D.C. 20503

JUN 18 1970

MEMORANDUM FOR JOHN EHRLICHMAN

I continue to see the possibility of an effective veto strategy, beginning with the special milk bill, following with Hill-Burton, and then indicating that other bills will receive similar treatment.

In order to do this, I think you need today to have at least the first draft of a possible veto message on the special milk bill. A draft is attached.

The deadline for Presidential action on Hill-Burton is Tuesday, June 23.

The attached draft envisions that the special milk message would precede a veto message of Hill-Burton (assuming such a decision is made), although the two could be issued together.

Robert P. Mayo

Robert P. Mayo
Director

Attachment

DRAFT OF VETO MESSAGE, ENROLLED BILL H.R. 5554

I am returning without my approval H.R. 5554, the Special Milk Program Extension.

I indicated to the Congress in my February 26 message on the reduction of low-priority programs that the special milk program should be terminated.

More At Stake

But there is more at stake in this action than the re-affirmation of my position on an item of lower priority legislation.

This is my first veto in the second session of the 91st Congress.

Unfortunately, it will not be my last.

This Administration is committed to the road of fiscal responsibility, which I described in my economic statement of June 17 as "to cut down the sharp rise in

Federal spending and to restrain the economy firmly and steadily."

I intend to be firm. I intend to veto not only this bill, but other bills which are significantly in excess of my 1971 budget.

I will send to the Congress tomorrow a veto message on HR. 11102, Medical Facilities Construction and Modernization Amendments of 1970.

Special Milk, Low Priority Legislation

The funds authorized in HR. 5554 subsidize the purchase of milk, in the great majority of cases subsidizing families fully able to pay the full cost. Less than 10% of the milk served goes to children from poverty families.

I oppose this legislation -- not because I am unmindful of the importance of nutritious lunches for our school children -- but because I strongly believe the funds authorized in HR. 5554 should be re-allocated to more effective nutritional programs to benefit children of poor families which will include milk as a part of the total program.

I have already acted on this conviction.

On May 14, 1970 I signed into law, HR 515 which improves the National School Lunch Act and the Child Nutrition Act. The effect of this legislation is to assure that every child from a family whose income falls below the poverty line will receive a free or reduced-price lunch. Those lunches include milk.

As a result of my earlier action, \$217 million additional will be available for child nutrition programs in Fiscal Year 1971, bringing the total Federal fund for these programs to \$900 million.

NOTE

Secretary Hardin is preparing material on the possible veto of HR 5554, which will contain additional points that may make it easier for farm interest groups on the Hill. The second draft should include this material. Secretary Hardin's memo will also contain points on possible adverse political consequences of a veto.

The \$900 million is by no means the whole story of this Administration's determined efforts to eliminate hunger in America. Total spending for food stamps and

related hunger and nutrition programs in FY 1971 is up \$_____million over 1969, an increase of _____%.

But we cannot take these kinds of desirable actions if we continue to fund lower priority, special interest programs to provide subsidies to people in cases in which the recipient is fully able to provide for his own needs.

To summarize my specific reasons for rejecting HR. 5554, they are:

- Nutritionally, the special milk program is inadequate. The subsidy applies to milk only, a valuable, but nutritionally incomplete food.
- Other nutrition programs providing nutritionally balanced benefits are being expanded substantially in 1971, particularly those programs which benefit low-income persons.
- Milk received by children from families in poverty under the special milk program, amounts only to 10 percent of the total milk served.
- All meals served under the School lunch and other child nutrition programs, must include ^{milk}as a standard item, thus total consumption of milk by children should not be materially affected by termination of the special milk program.